UNITED NATIONS

A

General Assembly

PROVISIONAL

A/45/PV.41
21 November 1990
ENGLISH

Forty-fifth session

GENERAL ASSEMBLY

PROVISIONAL VERBATIM RECORD OF THE FORTY-FIRST MEETING

Held at Headquarters, New York,
on Friday, 16 November 1990, at 3 p.m.

President:	Mr. de MARCO	(Malta)
later:	Mr. FLORES BERMUDEZ (Vice-President)	(Honduras)
later:	Mr. de MARCO	(Malta)

- Development and international economic co-operation [79] (continued)

  (c) Review and appraisal of the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries: report of the Secretary-General

- Elections to fill vacancies in principal organs [15] (continued)

  (b) Election of eighteen members of the Economic and Social Council; election of a member to fill a casual vacancy

- Programme of work

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The meeting was called to order at 3.10 p.m.

AGENDA ITEM 79 (continued)

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

(c) REVIEW AND APPRAISAL OF THE IMPLEMENTATION OF THE SUBSTANTIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES: REPORT OF THE SECRETARY-GENERAL (A/45/695)

Mr. SWE (Myanmar): A decade ago the international community awoke to the plight of the least developed countries, and at the first United Nations Conference on the Least Developed Countries adopted the Substantial New Programme of Action for the 1980s for the Least Developed Countries. This was an acknowledgement that those countries, because of the nature and degree of the structural handicaps impeding their national development, deserved special international attention and support to help them achieve self-sustained development.

As we stand on the threshold of a new decade and take stock of the situation in the least developed countries, we find that the need to activate growth and development in these countries remains as urgent and pressing as ever. The 1980s have often been labelled as a lost decade for the developing countries, and this is especially true for the least developed countries. Despite the implementation of the Substantial New Programme of Action, the growth rate of the gross national product of these countries between 1980 and 1987 was only 2.3 per cent annually. This was some 33 per cent lower than the corresponding average during the 1970s. This led to negative per capita growth rates, since growth of gross domestic product was unable to keep up with the population growth of 2.4 per cent. Even more serious is the fact that food production failed to match population growth. During that period, per capita food production declined by 0.8 per cent per annum. The same situation prevailed in industry and in the manufacturing sector, whose output, in per capita terms, declined by 0.2 per cent annually over the same

(Mr. Swe, Myanmar)

period. There has also been a drastic reduction in the domestic savings of the least developed countries. On the investment front, the volume of investment per capita fell for the majority of least developed countries by an annual average of 5.5 per cent. A dismal picture of the least developed countries emerged during the 1980s, throughout which national and international action was supposed to be undertaken in accordance with commitments under the Substantial New Programme of Action.

The development crisis in these countries is generally attributed to an unfavourable external economic environment and, in some cases, to national problems, in addition to the innate structural constraints, which greatly hampered the ability of the least developed countries to exploit their economic potential.

The least developed countries have fully accepted the fact that the primary responsibility for their growth and development rests with them. Many countries have adopted major policy reforms and quite a number of them have carried out a structural transformation of their national economies.

Against this background, I wish to apprise this Assembly of my country's experience during the decade of the 1980s. The Union of Myanmar, until the midpoint of the decade, was able to achieve reasonable growth rates, on average 5.8 per cent per annum. Thereafter, the economy began to falter. Since our exports consist mainly of primary commodities, the slump in commodity markets and the adverse terms of trade have had a far-reaching negative impact on the economy. A shortfall in export earnings resulted in a contraction of our imports, including capital goods and raw materials needed for the industrial sector. It also brought about a decline in public-sector investment. The result was a slowing down of our growth rate to 2.8 per cent in 1985-1986 and negative growth rates of, respectively, -1.1 per cent in 1986-1987 and -4.0 per cent in 1987-1988.

(Mr. Swe, Myanmar)

As a policy response to the deteriorating economic situation, Myanmar adopted far-reaching economic reforms in 1988. The process resulted in the adoption of a market-oriented economy to replace the socialist economic system. The measures taken included the removal of subsidies and price controls, and a reduction in the general level of taxation for personal and corporate income. Furthermore, the inward-looking import-substitution policy was replaced by an outward-looking export-promotion policy. The role of the private sector in the economic life of the country has been enlarged. Domestic and foreign investment has been encouraged. A foreign investment law has been enacted to provide legal protection and a wide-ranging and attractive package of incentives to investors.

In order to bring the financial system into harmony with the new realities and to promote new financial institutions, steps were taken to revamp the banking system. The first of these measures was the establishment in September 1989 of the new Myanmar Investment and Commercial Bank. This was followed by the promulgation of several laws: the Central Bank of Myanmar Law, which redefined the role of the central bank in the monetary and economic policies of the country; the Financial Institutions of Myanmar Law, which restructured the banking system to fulfil its new role under the market-oriented economic system; and the Myanmar Agricultural and Rural Development Law, which, by revamping the old law, allows greater efficiency in providing banking services to rural areas.

These purposeful reform measures have resulted in improved economic performance. The rate of growth of the gross domestic product increased by 7.4 per cent in 1989-1990, in contrast to a negative growth rate averaging -5.5 per cent for the preceding three years.

National policy measures such as those undertaken in my country can in the long run flourish only in a favourable external economic environment. The dismal economic performance of the least developed countries was to a large extent the

(Mr. Swe, Myanmar)

consequence of adverse external conditions. Depressed commodity prices, worsening terms of trade, tariffs and non-tariff barriers that impeded market access and insufficient aid flows all contributed to this worsening state of affairs.

During the decade of the 1980s, terms of trade for the least developed countries worsened at the rate of 3.1 per cent per annum. The resulting trade loss of the least developed countries over that period was $1.5 billion. During the period in which the Substantial New Programme of Action was in operation, real net transfers to the least developed countries declined by more than 25 per cent. To this must be added the debt problem, which was further aggravated by historically high interest rates. To bring about economic growth and development for the least developed countries it is of vital importance to have a favourable international environment, which would ensure, inter alia, fair and remunerative commodity prices, favourable market access, an increased flow of development assistance and the solution of the problem of external debt.

My delegation is greatly encouraged that all these factors were given proper attention at the Second United Nations Conference on the Least Developed Countries. We welcome the positive outcome of the Conference and the emerging spirit of co-operation, which enabled the Conference to adopt unanimously the Programme of Action for the Least Developed Countries for the 1990s and the Paris Declaration. The Programme of Action and the Declaration signalled the willingness of the least developed countries and their development partners to work together urgently and effectively to arrest and reverse the deterioration of the economic and social situation of the least developed countries. Taken together, the Programme and the Declaration cover a wide range of areas in which action has to be taken to revitalize growth and development in the least developed countries. They contain commitments on the part of the least developed countries as well as by their development partners.

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(Mr. Sue, Myanmar)

My delegation is pleased to note that the Programme of Action covers areas that are of vital importance to the developing countries: the external indebtedness of the least developed countries, improved market access, diversification of exports, commodities, and compensatory financing. We are gratified that the Programme of Action provides clear targets for concessional resource flows. In this regard we are especially thankful to those countries that have already reached or surpassed the target of 0.15 per cent of gross national product and have made further commitments to increasing their efforts and improving their performance. The commitment by France and Italy to the target of 0.2 per cent merit special mention.

The Paris Declaration and the Programme of Action are of enormous significance to the least developed countries. By adopting them the international community has agreed to comprehensive support measures which, if faithfully implemented, will bring about internationally accepted minimum standards of nutrition, health, housing and education for the people of the least developed countries by the end of the coming decade. It must be stressed here that this daunting endeavour requires that both the least developed countries and their development partners live up to their respective commitments on the basis of shared responsibility. It is a task that should be faithfully, conscientiously and vigorously carried out. The half a billion people of the least developed countries who at present exist in a state of abject poverty deserve nothing less.

Mr. HUSLID (Norway): I have the honour to speak on behalf of the Nordic countries: Denmark, Finland, Iceland, Sweden and my own country, Norway.

It is truly something of a paradox that probably no other group of countries has been the subject of such extensive studies as has the group of so-called least developed countries. Numerous and voluminous dissertations have given us detailed

(Mr. Huslid, Norway)

information and there are heaps of tables and statistics about these 42 poorest countries, which on the whole share one overriding feature: mass poverty, with all its ramifications and consequences. Thus we know very well that the actual figures for hunger and malnutrition, for child mortality and disease, for illiteracy and lack of school facilities, in the least developed countries - to mention just a few parameters - are shockingly high, and considerably higher than in developing countries as a whole.

If we look back, we see that the recent growth in the least developed countries has been highly inadequate. Their growth rate has been considerably lower than that of the average for developing countries, to say nothing of the industrialized countries. In a world characterized by rapidly increasing integration and interdependence the least developed countries have fallen further behind in recent decades. The Substantial New Programme of Action for the 1980s for the Least Developed Countries established an annual growth rate target of 7.2 per cent. The actual rate turned out to be no more than 2.3 per cent - in fact, below the population growth rate of 2.4 per cent in the same period and much lower than the average rate of growth of developing countries as a whole, which was 3.4 per cent. Thus - and this is serious - the least developed countries, from their very low starting-point, have experienced a per capita decline in the past decade.

It is true that, fortunately, there has also been progress in many of the least developed countries in several fields. But what we have witnessed since the group of least developed countries was created in 1971 is the gradual and continuous marginalization of these countries in the world economy. As an illustration I might mention that in the 1970s the least developed countries' share of world exports declined from 0.8 per cent to about 0.4 per cent - that is, by

(Mr. Huslid, Norway)

about half. Today it is only about 0.3 per cent. It is what the French call a quantité négligeable.

Furthermore, if we look forward we can see - and this is maybe even more serious - that unless radical changes occur the future development of the least developed countries will prove to be highly unsatisfactory. Projections made by the World Bank and others show that, on the basis of present indications and assumptions, the least developed countries will continue to lag behind; in fact, many of them will slide backwards. It appears that this will apply in particular to Africa south of the Sahara, where 28 of the 42 least developed countries are located.

The economic repercussions of the current Gulf crisis have also hit the weak economies of the least developed countries especially hard, further aggravating the deplorable trend of economic decline.

I should think that when remedies are being considered - as, of course, they should be - it is clear to all that these cannot consist of leaving everything to market forces and general development when it comes to solving the problems of the least developed countries. With the initial handicaps and the weak starting position of the least developed countries, market forces, when unchecked, tend to operate against these countries. Consequently, Governments must adapt concrete measures - whether in the commodity sector, in trade or in money and finance - to supplement these forces.

It ought to be possible, if the will is there, for the world community, not in words but in action, to come to the assistance of the least developed countries. In the area of trade certain steps have already been taken by several developed countries, among them the Nordic countries, as a part of the general system of preferences. A great deal more could be done, however, and it is worth recalling

(Mr. Huslid, Norway)

that in the Punta del Este Declaration all countries participating in the Uruguay Round committed themselves to giving special attention to the trade problems of the least developed countries.

Likewise, in the field of finance and transfer of resources, the least developed countries' small dimensions in the total picture ought to make possible concessions that would not cost anybody too much. In this connection it is rather discouraging that the only really specific international target, that of net official development assistance of at least 0.15 per cent - or, after the Paris Conference this autumn, at least 0.2 per cent - of the gross national product of donor countries, is met by very few countries. An additional effort by some bigger industrialized countries would not represent all that much in nominal figures but would have a great impact on the recipient countries. It seems clear that official development assistance, not private capital flows, must provide the bulk of external development finance to the least developed countries.

(Mr. Huslid, Norway)

The debt problem of the least developed countries, which is crippling the economy of several of them, is also rather small when looked at in a global context. In 1988 the total outstanding debt of the 42 least developed countries stood at some $70 billion, a doubling of the figure from 1982. For them this is a very heavy burden, which in 1988 constituted 72 per cent of their gross domestic product. In a global context, however, the sum is not particularly impressive - only some 6 per cent of the total debt of developing countries as a whole.

All in all, the problems of the least developed countries, of which I have mentioned only a few, are staggering when looked at in a national framework, but much less overpowering when considered in a global context. This gives reason for hope. Even limited concrete - and I underline "concrete" - action and supporting measures by the international community in favour of the least developed countries are likely to have a considerable impact on the countries concerned.

It was against this background that the bulk of the world's nations met in Paris in September to assess the situation of the least developed countries and to demonstrate their solidarity, through the international agreement on a new Programme of Action for the 1990s.

The Nordic countries fully endorsed the Programme of Action, which is based on the fundamental principles of shared responsibility and a strengthened partnership for development. The Programme clearly defines the role of the least developed countries themselves as well as that of their development partners.

I wish to highlight some of the policies and measures that we, the Nordic countries, see as fundamental to the success of the Programme. As regards the least developed countries themselves, the following areas must be given priority.

(Mr. Huslid, Norway)

Growth-oriented economic reforms remain essential. We believe that there are possibilities for the least developed countries to cut their public sector budgets without directly hitting the most vulnerable groups. Large resources could, for example, be released from the military budgets. According to the Human Development Report 1990, expenditures for military purposes in the developing countries represented 5.5 per cent of gross domestic product in 1986, as compared with 4.2 per cent in 1960. This constitutes a considerable proportion of the economies of these countries, and particularly of the least developed countries.

Sound environmental policies are necessary to avoid degradation that will have grave consequences, both for economic development and for living conditions.

Democratization and respect for human rights are self-evident goals in their own right, but they can also be well defended on economic grounds. Only through broad popular participation, including the increased integration of women in economic, political and social life, can development policies succeed. At a recent meeting of the Nordic Ministers of development co-operation, a statement was issued in which recognition of these facts was emphasized as a guiding principle for Nordic development assistance.

National efforts must be complemented by comprehensive external support measures in the areas of financial flows - in particular aid flows, debt-relief measures, trade and commodities.

We know that the least developed countries rely overwhelmingly on commodities exports. Effective strategies in this field are therefore of paramount importance. The opportunities of markets and the advantages of natural-resources endowments must be exploited more effectively. But markets need to be supplemented by special assistance and international commodity co-operation.

(Mr. Huslid, Norway)

It is the view of the Nordic countries that the second window of the Common Fund for commodities should now become operative as soon as possible. Pledges made by donor countries must as a matter of course be honoured. In its policies the Common Fund must accord priority to commodities of central importance to the least developed countries.

The Nordic countries would have liked to see a higher level of commitment in the Programme of Action with regard to targets for the transfer of concessional resources. Given the comprehensive development needs of the least developed countries and the rise in the number of those countries, there was every reason to increase the official development assistance target as a percentage of gross domestic product from 0.15 per cent to 0.20 per cent. Nevertheless, we hope that the new commitments now undertaken by those donor countries whose official development assistance transfers to least developed countries are considerably below the 0.15 per cent target will lead to a substantial increase in the flow of concessional finance to these countries in the course of this decade.

In the areas of debt, trade and commodities the new Programme gives clear and concrete policy recommendations. These should, as a matter of urgency, be addressed in the appropriate international forums and translated into action.

The Nordic countries believe that, on the basis of the new comprehensive Programme of Action, with its many positive objectives, it should now be possible to move further in concrete terms in order to place the least developed countries firmly on the path of growth and development.

Mr. KRYZHANIVSKIY (Ukrainian Soviet Socialist Republic) (interpretation from Russian): The General Assembly is now considering an issue of vital importance for half a billion people in 42 least developed countries, which now represent the most vulnerable part of the world community. In the context of the achievements of modern science and technology, the conditions of social and economic impoverishment in those countries, which are experiencing a profound development crisis, are totally unnatural.

We have great sympathy with the least developed countries as they face their complex problems, and we support their efforts to overcome the difficulties and create conditions that would enable them to resolve the crisis and ensure stable development.

Unfortunately, we have to say that since the adoption in 1981 of the Substantial New Programme of Action for the 1980s for the Least Developed Countries a further 11 countries have been added to that group, and not one has been dropped from that category. Furthermore, as is borne out by studies done by the United Nations Conference on Trade and Development (UNCTAD) and other bodies, including specialized agencies of the United Nations, over the past decade the general worsening of the crisis in that sector of the world economy has continued, marked by stagnation or a drop in the primary indicators for social and economic development of the least developed countries.

As is noted in the Secretary-General's report,

"despite national and international efforts on behalf of those countries, the social and economic situation of the least developed countries as a whole worsened during the 1980s". (A/45/695, para. 13)

(Mr. Kryzhanivskiy, Ukrainian SSR)

The statistics on the development of the economies of that group of States lead us to conclude that the main purposes of the Substantial New Programme of Action for the 1980s for the Least Developed Countries are today as far from being implemented as they were at the time they were proclaimed.

For a number of reasons - among which are the historically extremely archaic economic structures, the population problem, the insufficient efforts of the least developed countries themselves, frequent natural disasters, the colossal burden of debt and the lack of internal reserves - this category of States bears the brunt of the downswing in the world economic situation. The complexity and gravity of the crisis facing the least developed countries make it imperative that they step up their own efforts to overcome these difficulties and that the joint efforts of all States be consolidated, irrespective of differences in their political and economic systems.

In this context, the Ukrainian Soviet Socialist Republic welcomes the results of the Second United Nations Conference on the Least Developed Countries, held in Paris in September. We support the Substantial New Programme of Action for the 1980s for the Least Developed Countries, adopted by that forum, and the Paris Declaration, which should become a political guide for the international community in implementing concerted action as it seeks to resolve this complex set of acute problems of underdevelopment. It is important, we feel, that all future activity in this area be built on a more solid basis reflecting the new realities of this stage in the development of the world economy and international economic relations.

Universal understanding of North-South, East-West interdependence is emerging, making it imperative for a new type of responsible, equal partnership to replace the old pattern in which the rich helped the poor. Naturally, these new approaches can be taken only if all participants in economic world relations abide by generally recognized norms of international relations, including recognition of the

(Mr. Kryzhanivskiy, Ukrainian SSR)

freedom of choice of the type of social and economic development, as well as non-interference in internal affairs, and mutual benefit. In my delegation's opinion, the mutual responsibility of the least developed countries and their partners for implementing the development policies set forth in the Paris Declaration is a guarantee that the Programme will be implemented. We hope that the increased efforts of the least developed countries themselves to modernize their economies structurally by involving all strata of the population in implementing the necessary programmes, in addition to international support for the least developed countries in accordance with the Programme of Action for the 1980s, will help them to solve the problems of underdevelopment.

Here we attach great importance to the strengthening of multilateral machinery for co-ordinating international assistance to that group of countries and within and outside the United Nations system. Despite the difficulties we face in shifting to a regulated market economy, to the extent of its abilities the Ukrainian Soviet Socialist Republic is assisting the developing countries, including the least developed countries, in overcoming backwardness and establishing and developing their own economies. We have based our co-operation on equality and respect for sovereignty. We are trying to make it mutually advantageous. Today, the Ukrainian SSR exports goods to 82 developing countries. Thousands of specialists from our Republic are working in the construction and reconstruction of a variety of economic facilities in those countries.

One form of our assistance to the developing countries, including the least developed countries, is the training of qualified people. Right now, more than 20,000 citizens from the developing countries, including the least developed countries, are receiving education in our country in 136 higher and middle educational institutions. For more than 20 years United Nations Industrial Development Organization seminars and workshops on electric welding and metallurgy

(Mr. Kryzhanivskiy, Ukrainian SSR)

have been held in the Ukrainian SSR. Throughout those years, more than 15,000 specialists from 60 developing countries have improved their qualifications.

The Ukrainian Soviet Socialist Republic is prepared in the future to develop co-operation with the least developed countries in a wide variety of areas. The declaration of State sovereignty, proclaimed this year by the Ukrainian Parliament, and the law on economic independence provide for a serious restructuring of our economic machinery as well as for a significant expansion of foreign trade. Today there is practically no enterprise, production unit or co-operative that does not have the right to be participate independently in export and import operations, in industrial, scientific and technological co-operation, or in establishing joint ventures. Accordingly, there are more possibilities now for involving many of them in carrying out projects, in providing consultative services, and in sub-contracting in developing countries, which to a certain extent could help those countries to resolve this question that is being discussed today.

Mr. ZANDAMELA (Mozambique): I should first of all like to congratulate and thank you, Sir, for taking a personal interest in and steering our deliberations on the important agenda item under discussion. I also take this opportunity to extend my delegation's sincere appreciation to the Secretary-General of the United Nations, Mr. Javier Pérez de Cuéllar; to the Secretary-General of the United Nations Conference on Trade and Development, Mr. Kenneth Dadzie; and to the United Nations Development Programme staff for their untiring dedication and most valuable contributions throughout the long process of preparation and organization of the recently held Second United Nations Conference on the Least Developed Countries.

I should also like warmly to salute all States Members of our Organization, particularly those that participated actively in and lent their support to the success of that Conference. Special salutations are addressed to the people and

(Mr. Zandamela, Mozambique)

Government of France for the magnificent hospitality they accorded to all participants and for their resolute commitment and useful input - which, all in all, contributed to a fruitful Paris Conference.

The world is currently witnessing a process of sweeping dramatic changes. The end of the cold war and of the ideological differences that divided East and West, the opening up of new possibilities for multilateral co-operation - especially the strengthening of confidence building among nations and the ever increasing role of the United Nations as the guardian of peace in this process - and indeed the positive trend towards greater collaboration in search of negotiated settlements and solutions to regional conflicts, including the evolving process within South Africa and southern Africa as a whole, are but a few concrete signs of the positive transformations in the international arena. However, we are saddened to note that while considerable progress has been achieved on the political front, efforts in the area of international co-operation for development with a view to addressing the plight of the majority of the developing world are moving at a slow pace. The socio-economic crisis in those countries, particularly in Africa, continues unabated.

The gap between the developing countries and the industrialized world has widened considerably, with a growing ocean of poverty in sharp contrast to the islands of affluence and prosperity that exist here and there in the world. This disturbing phenomenon, if not arrested in time, carries within itself the seeds of potential tension between North and South that could endanger recent gains towards world peace and security, one of the most precious goals our generation is committed to attaining.*

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* Mr. Flores Bermudez (Honduras), Vice-President, took the Chair.

(Mr. Zandamela, Mozambique)

It is therefore of paramount importance that the international community take up this matter with the required urgency, seriousness and vigour in order to find an appropriate response in the interest of a healthy, equitable and more stable world economy. In this context, at its eighteenth special session, last April, the General Assembly addressed the question in a most timely manner and reached a new global consensus, identifying the revitalization of economic growth and social development as one of the most important challenges for the international community in the 1990s. The special session also highlighted the need for concrete and concerted international action in order to stem the marginalization and reactivate the growth and development of the least developed countries.

We are therefore pleased to note that this spirit has spread and was confirmed by all members of the international community with the adoption by consensus of the Paris Declaration and the Programme of Action during the Second United Nations Conference on the Least Developed Countries. For us, this was a clear expression of the willingness and commitment of the international community to act urgently and effectively to arrest and reverse the deterioration of the socio-economic situation of the least developed countries, based on the principle of shared responsibilities and strengthened partnership.

The Programme of Action for Least Developed Countries for the 1990s is a comprehensive document comprising strategy, policies and concrete measures, encompassing domestic efforts by the least developed countries and the provision of appropriate international assistance, which should be coupled with recognition of the need for an external economic environment supportive of the development efforts of those countries. An overall assessment shows that the new programme, while not fully meeting the expectations of the least developed countries, can be considered positive, and can serve as a good point of departure for the fostering of extensive

(Mr. Zandamela, Mozambique)

and intensive ties of international co-operation in the years to come, for the well-being of the people of the least developed countries.

The Programme introduces significant innovations, among which particular relevance attaches to the principles of shared responsibility and strengthened partnership, which will serve as the pillars of the relationship between the least developed countries and their development partners, and the macro-economic policy framework, which places adjustment efforts in their proper perspective as supporting long-term development and transformation of the least developed countries' economies while taking due account of the protection required by the poor and most vulnerable in society. Of equal importance is the recognition in the Programme of the goal of human development, including its related aspects of democratic and popular participation and equal benefits for all actors in the development process. We welcome the emphasis placed on women, entrepreneurs and non-governmental organizations in the context of developing and expanding their tremendous potential, which certainly can and should boost and sustain the process of development in those countries.

Encouragement of the use of market tools in the promotion of a more competitive economy with a view to optimizing contributions and increasing the efficiency of the public and private sectors is yet another example of a novel feature included in the Programme. This trend deserves our attention, and we should bear in mind the particular circumstances and the objectives of the country or sector directly concerned. The new document correctly focuses on sectoral issues, treating in some detail the priority areas of human resources development and the expansion and modernization of the economic base of the least developed countries, including infrastructures.

(Mr. Zandamela, Mozambique)

On the critical issue of resources for development, we are encouraged by the clear commitment by all developed countries without exception to an increase in the volume of their transfers of official development assistance to the least developed countries. In accordance with preliminary estimates made by the United Nations Conference on Trade and Development (UNCTAD), the compromise formula of a menu of four options provides, in an optimistic scenario, for only two thirds of the total resources necessary to achieve the desirable 5 per cent growth rate in the least developed countries in the last part of the decade. In the light of the foregoing, we invite donor countries to use the menu of options as an incentive to redouble efforts in order to make it possible to attain through collective action the target of 0.2 per cent of gross national product for official development assistance transfers to the least developed countries.

Regarding the external debt problem, which constitutes a major hindrance to the revitalization of the economies of the least developed countries, my delegation stresses the priority nature of and urgent need for progress in this crucial area if the least developed countries are to restore the growth momentum. In this connection, we welcome the new action-oriented proposals presented by the Governments of the Netherlands, the United Kingdom and France and that of the Personal Representative of the Secretary-General for external debt questions, to mention just a few. All these new proposals reflect a need to go beyond the Toronto options, which should be further improved so as to provide for more extensive debt cancellation or maximum reduction of the debt, commensurate with the amount of relief necessary for revitalization of the economies of the least developed countries.

On trade issues, my delegation underscores the importance of the provisions on international assistance to the least developed countries in diversification of

(Mr. Zandamela, Mozambique)

exports, trade promotion activities and the treatment of commodities, as well as the need for strengthening of compensatory financing mechanisms, as reflected in the relevant chapter of the Programme of Action.

The provisions of the Paris Declaration and the Programme of Action cannot be considered an end in themselves and must not lead us to unfounded self-congratulatory enthusiasm. Experience in the recent past demonstrates that over the last decade the least developed countries have suffered severe setbacks in their development process and that new countries now share this status, notwithstanding the commitment made by the international community during the first United Nations Conference on the Least Developed Countries. Many provisions of the Substantial New Programme of Action for the 1980s for the Least Developed Countries quickly became a dead letter and were thus ignored by subscribers to the Programme. These experiences have been taken into account in the new undertaking, which addresses them by emphasizing the key aspect of implementation with the introduction of a principle on the issue and the elaboration of a detailed chapter calling for strengthening and effectively following up and monitoring the implementation of the Programme at the national, regional and global levels.

I take this opportunity to reaffirm Mozambique's commitment and determination in the battle for economic reconstruction and development, as we also pursue efforts for the early achievement of peace and the deepening of democracy in our country. We call on donor countries and the entire international community to continue to give vigorous support to Mozambique and others of the least developed countries in their development endeavours.

The United Nations development system has a special role in the implementation of the Programme of Action for Least Developed Countries for the 1990s. We invite

(Mr. Zandamela, Mozambique)

the secretariats of all United Nations organizations, including the World Bank and the International Monetary Fund, as well as the regional development banks, to respond positively to the recommendations of the Paris Conference by the adoption of concrete measures to meet the needs of and the unique challenges facing the least developed countries.

(Mr. Zandamela, Mozambique)

UNCTAD has received the crucial task of being the focal point within the system for the review and appraisal of the implementation of the Programme and its follow-up at global level. We call upon the Secretary-General of the United Nations and his staff to take the relevant action required for the mobilization of human and material resources which will allow UNCTAD effectively to carry out its critical mission.

In conclusion, permit me to stress my delegation's strong belief that the attainment of a sound and sustained development of the least developed countries remains the primary responsibility of these countries themselves and that the international community bears the responsibility of helping them to achieve such a noble goal.

Mr. MOORE (United States of America): Help for the suffering populations of the world's least developed countries is a moral imperative. In many parts of the world millions of people scratch out lives on the edge of subsistence. They do not have the resources to cope with illness, crop failure or natural disaster. They do not have the chance to accumulate enough savings to better their condition. They do not have the opportunity to give their sons and daughters the education required to make the next generation's lives better. That this situation must be changed is a bald fact recognized by every civilized nation in the world.

The United Nations 1981 Programme of Action for the Least Developed Countries recognized this problem and prescribed specific remedies to be implemented in the 1980s. Yet the situation of the world's poorest countries remained tenuous throughout that decade. While many low-income countries did experience growth in their gross national product (GNP) during the 1980s, the overall per capita growth rate for the United Nations list of least developed countries was virtually nil. Despite a general liberalization of world trade, producers of tropical commodities frequently suffered falling prices due to supply increases that were unmatched on

(Mr. Moore, United States)

the demand side. Wars, coups and civil conflicts brought about large-scale destruction, and siphoned off resources that could have gone to development.

What were the economic causes of the setbacks of the 1980s? The 1990 Programme of Action for the Least Developed Countries identifies several. Prominent among these was the disappointing performance of the agricultural sector in many countries. In the largely rural economies of these nations, agricultural development is a necessary condition for economic development in general. Yet in many nations bad pricing policies, over-use of land resources and simple bad luck worked to shut down development at this basic stage.

The performance of the agricultural sector cannot, however, be separated from that of the economy as a whole. In many nations, imbalances in pricing, monetary and fiscal policies have inhibited growth. Skewed priorities in expenditures and investment have led to the promotion of large and wasteful projects at the expense of potentially productive areas of comparative advantage. There has also been mistrust of the private sector. Often individual entrepreneurs have been penalized and relatively inefficient State-run enterprises have been rewarded, despite the frequently confirmed vitality of the private sector in raising incomes and in creating jobs. It is gratifying for the United States to see this attitude now changing throughout the developing world.

For many least developed countries the external economic environment has been perilous. Specialization in the production of one or two primary products has caused trouble for many developing countries by making these nations vulnerable to unpredicted gaps between supply and demand, and therefore to sudden steep drops in commodity prices. Debt burdens have also been a serious problem. For many poor countries, however, debt is a symptom rather than a cause of their difficulties. Too often loans have been taken out without adequately assessing investment risk or the expected return on investment capital. If economic growth is inadequate, or if

(Mr. Moore, United States)

there is a downturn in the business cycle, then the loans cannot be repaid on time and more debt must be incurred, leading to the vicious cycle of low growth and investment and high debt loads.

In the face of these continuing difficulties the 1990 Programme of Action puts forth a number of principles which the United States is pleased to endorse. The most fundamental of these is that developing countries control their own destinies. It is they that are responsible for creating a healthy economic context in which investments and the value of money are secure.

It follows from this principle that external development assistance, although necessary, cannot substitute for responsible domestic policy. Aid should be regarded as complementary to domestic development efforts and catalytic to self-sufficiency, and should therefore be used as a supplement to soften the impact of necessary structural adjustment policies. The long-term aim of all development assistance organs should be to put themselves out of business.

There are no quick and easy solutions. The United States recognizes that transitions will be difficult and take time, that political and social risks can be high, and that flexibility reflecting differences in individual cases is required. The United States believes that debt forgiveness may be employed selectively but that it cannot be regarded as a uniform policy. Recently launched World Bank and IMF initiatives to provide debt relief to the least developed countries are ambitious and require large amounts of capital. The international financial institutions, however, do not have unlimited resources for this purpose and must protect their own continuing long-term capacities to provide stability and assistance to developing economies.

The international economic environment remains a major problem to many least developed countries. This is particularly true for nations whose main sources of revenue are primary products with low elasticities of demand and volatile prices.

(Mr. Moore, United States)

Many nations with a large need for capital are also vulnerable to sudden interest rate shifts. Although fluctuations in capital and commodity markets are as inevitable as changes in the weather, it is possible to provide some protection against volatility through arbitrage operations and diversification. For its part, the United States holds that open international markets, with low agricultural tariffs, are the best way of assuring a positive economic environment for the long run.

The Programme of Action for the 1990s wisely recognizes the economic importance of political and human rights. Intrinsically priceless, these rights make it possible for people to invest and do business in their own countries without fear of arbitrary loss or persecution. The prosperity of democracies in the post-war world is compelling evidence that economic growth and political freedom are closely bound together.

The 1990 Programme of Action represents an improvement over its predecessors in that, rather than prescribing the contribution of an arbitrary proportion of GNP to developing countries, it calls upon each of the donor nations to provide as much assistance as possible. This flexible approach shows a welcome awareness of the individual circumstances of the donor countries. In this connection, the United States is glad to be able to provide one fifth of the world total of economic assistance.

(Mr. Moore, United States)

In conclusion, the United States is pleased to join in the consensus adoption of the new Programme of Action for the 1990s. We believe it represents a realistic and helpful step forward in coming to terms with the pressing problems of the least developed countries, and we are obliged to help.

Mr. SUTRESNA (Indonesia): Allow me at the outset to join previous speakers in conveying to the Secretary-General my delegation's deep appreciation of his report, which provides us with a comprehensive assessment of the least developed countries' socio-economic situation in the 1980s and of the outcome of the Second United Nations Conference on the Least Developed Countries, held in Paris from 3 to 14 September 1990. We would like also to express our thanks to Mr. Kenneth S. Dadzie, in his capacity as Secretary-General of the Second United Nations Conference on the Least Developed Countries.

The Indonesian delegation welcomes both the Paris Declaration and the New Programme of Action for the Least Developed Countries for the 1990s, which is designed to speed the advancement of these countries. It is indeed encouraging to note that the Declaration and Programme of Action not only constitute a strong statement by the international community underlining its shared responsibility for the future well-being of the people of the least developed countries but also register a firm commitment to act urgently and effectively in implementing the terms of the Programme of Action.

A decade ago, in response to the severe plight of the least developed countries, the international community adopted the Substantial New Programme of Action for the 1980s for the Least Developed Countries in the hope of significantly improving the harsh economic conditions of those countries. To meet those objectives, what was essentially needed was an increase in international co-operation and a transformation of their economies towards self-sustained

(Mr. Sutresna, Indonesia)

development, which would have enabled them to achieve at least a minimum standard of living.

Yet, despite the solemn undertakings and commitments contained in the Substantial New Programme of Action for the 1980s, improvement was hardly discernible and the least developed countries remained caught in the grip of a vicious circle of economic stalemates and reversals. The decade of the 1980s was, indeed, a particularly difficult time for all developing countries, earning the unsavoury title of the lost decade for development. But it was the least developed countries, the most vulnerable of the developing countries, that suffered the severest impact. As a result of the adverse external environment, efforts by the least developed countries to restructure and adjust their economies were severely hampered and were further frustrated as a result of the failure to reach the internationally agreed targets.

Thus, as is widely recognized, and also noted in the Secretary-General's report, despite national and international efforts on behalf of the least developed countries, their social and economic situation as a whole substantially worsened during the 1980s. Growth rates fell far short of targets and other projections were equally disappointing. External trade worsened and manufacturing output reached only a small fraction of the target. So, too, was the target of 0.15 per cent for external resource flows markedly unattained. The prices of commodities, a central concern of many developing countries, collapsed, and the debt burden greatly increased. Similarly, protectionism, which has greatly inhibited access to markets in the developed countries, escalated and the terms of trade deteriorated substantially. As a consequence, the situation facing the least developed countries, rather than being ameliorated, has become increasingly grim. Thus the marginalization of a combined population of over 420 million has become more pronounced as their economies have continued to stagnate and even to regress

(Mr. Sutresna, Indonesia)

further. Ominously, the number of people in absolute poverty has grown to alarming proportions, while unemployment has soared to new heights and the threat of the collapse of the socio-economic and political fabric of their societies has greatly increased.

To meet this desperate situation and to effect a breakthrough in the continuing impasse, as well as to reverse the setbacks of the 1980s, the Paris Conference solemnly committed itself to implementation of the new Programme of Action and sought to revitalize the development of the developing countries over the coming decade. Also important is the fact that the Conference determined that the setbacks of the 1980s were not irreversible and that success rested on a combination of effective national policies, a more favourable international economic climate and a strengthened partnership. Taken together therefore, the Programme of Action and the Paris Declaration reflect the strong commitment of the international community to act urgently and effectively both to arrest and to reverse the socio-economic deterioration in the least developed countries.

In facing this daunting challenge, the new Programme of Action is unique and distinctive in many ways. We are encouraged by the basic feature of the Programme, which recognizes the centrality of the human factor in development. Also noteworthy is the comprehensive treatment of structural adjustment, resource flows and debt, and the new emphasis on increased participation in development. In this regard, the new Programme of Action stresses the fact that national policies have little chance of succeeding without a strongly supportive external environment and strengthened international action, including substantial and sustained financial flows, a durable solution to the debt problem and improved access to markets.

In the light of the foregoing, my delegation believes that the success of the Programme depends critically on a continued and strengthened partnership between the least developed countries and their development partners. We believe also

(Mr. Sutresna, Indonesia)

that, although the least developed countries have the primary responsibility for the formulation and implementation of their development policies and priorities, there is no doubt that little can be achieved without a clearly supportive international economic environment, together with adequate assistance from the international community. If these dimensions are lacking, we believe that the successful implementation of the Programme of Action cannot be ensured. It is also of key importance to the Programme's successful implementation that effective and sustained follow-up and monitoring mechanisms at the national, regional and global levels be fully provided for. In this context we agree that the United Nations Conference on Trade and Development (UNCTAD) can continue as the main focal point at the global level.

For our part in Indonesia, we have always fully supported the least developed countries in their prolonged and uphill struggle against poverty and underdevelopment. In this context we have for some time been extending technical co-operation under our programmes of technical co-operation among developing countries to many developing countries, especially the least developed countries. In continuing to offer these programmes, Indonesia will not fail to give top priority to the least developed countries.

(Mr. Sutresna, Indonesia)

In conclusion, we trust that the Programme of Action, which enshrines the best hopes and aspirations of the least developed countries for socio-economic development, will continue to attract at least the kind of political determination so evident during the Paris Conference. The lessons of the past should propel the international community to resolute action. Only then can the just and profound aspirations of almost half a billion people living in the least developed countries be met, and only then can their efforts bring about sustained and lasting development. Otherwise, the current unacceptable status of the least developed countries will be perpetuated, with devastating consequences.

Mr. KUDRYAVTSEV (Union of Soviet Socialist Republics)(interpretation from Russian): One of the main lessons to be learned from world development in the 1980s was an understanding that in today's interdependent - and at the same time inter-vulnerable - world the stable and harmonious development of one group of countries is impossible if another group is experiencing a serious social and economic crisis. At the same time, in these last years of the twentieth century, so marked by unprecedented and inspiring achievements of the human mind and spirit and by the untold suffering of millions of people, the self worth of the individual and the ideals of humanism have moved strikingly to the fore. Those categories are at once both a point of departure for and the ultimate goal of our civilization.

A growing awareness of these realities on the part of the international community will determine the important role that must be played in a number of global economic problems by the search for ways to overcome the present destitution in the least developed countries.

The Second United Nations Conference on Least Developed Countries demonstrated the growing attention and serious concern of the world community with regard to the problems being experienced by the least developed countries. In a message to

(Mr. Kudryavtsev, USSR)

the participants in that Conference, President Mikhail Gorbachev noted:

"Unless underdevelopment can be overcome and the gap between North and South can be bridged, we cannot count on the emergence of a modern, civilized world order."

That representative meeting, which was held at Paris at the transitional moment, as it were, between two eras, when the cold war was giving way to the present post-confrontational stage in human development, highlighted the qualitatively new opportunities that were emerging effectively to solve the problems of the least developed countries in the context of an overall solution to the entire gamut of global economic problems through the joint efforts of that group of countries themselves and the rest of the world community.

The unsatisfactory results of the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, together with the insufficient efforts made by many of the countries in that group, were caused, to a significant degree, by the extremely unfavourable conditions in the world markets, particularly for commodities and fuel, and by frequent natural disasters. We cannot fail to see the link between the destitution of the least developed countries and the failure to solve such problems as disarmament and conversion, external debt, the degradation of the environment, the instability of world commodity markets and the unfavourable food and population situations in the world.

We share the concern at the dire plight of the least developed countries, and we support their efforts to overcome their crisis. In our view, the way to achieve that is primarily through an increase in the efforts being made by the least developed countries themselves to overcome underdevelopment and to modernize

(Mr. Kudryavtsev, USSR)

their national economies, to mobilize and to proceed to the careful use of domestic - and in particular human - resources, as well as to ensure fair distribution of their national income, always bearing in mind the needs of the most vulnerable strata of the population. Those efforts must of course be supplemented by proper support from the world community and by the harmonization of internal and external conditions for development within the broad context of providing stability, predictability and sustainability for the development of all the least developed countries, in strict respect for each country's right to freedom of choice.

We believe that, on the whole, the decisions taken at the Paris Conference, which reflect the new global consensus on the ways to develop international economic co-operation enshrined in the Declaration adopted at the eighteenth special session of the General Assembly, provide a good basis for rationalizing all United Nations activities in this area, a process that is certainly in the interest of the least developed countries.

Co-operation with least developed countries plays a particularly important role in the foreign economic relations between the Soviet Union and the developing countries. It is also the thrust of the decisions taken in this connection by the United Nations and by organizations within the United Nations system. In the context of domestic and economic reforms and the restructuring of the machinery of foreign economic relations, new and favourable opportunities are now being created for expanding and diversifying co-operation with the least developed countries and enhancing its effectiveness and productivity to the benefit of both sides. In this connection I should like to stress that the special interests and needs of the least developed countries are being taken into account in formulating new approaches to developing foreign economic links with the Soviet Union and in our

(Mr. Kudryavtsev, USSR)

Parliament's law-making activities. In particular, in the new customs tariff that is now being worked out in the USSR we intend to strengthen the duty-free régime for imported goods from the category of least developed countries to the Soviet Union.

Notwithstanding the complex economic and financial situation created by the present transitional period the Soviet Union is continuing to the best of its ability to grant assistance to the least developed countries and at the same time to take steps gradually to increase the mutually advantageous component of such relationships in keeping with existing international norms and practices. Here, our policy is aimed at achieving a harmonious combination of bilateral relations and multilateral co-operation, including co-operation in the United Nations.

(Mr. Kudryavstev, USSR)

Within the context of the Soviet Union's shift to a market economy, special importance attaches to the establishment of new, non-traditional forms of co-operation with least developed countries, especially in the areas of co-operation in production, various forms of non-hard-currency trade, joint ventures, including those involving third-country partners, and so forth.

One of the most serious obstacles to development in the majority of least developed countries continues to be external debt. In recent years the Soviet Union has taken a number of steps to alleviate the debt burden of certain countries in that group. Concessionary relief for 1986 to 1990, compared to the original terms, amounted to more than $6 billion. We continue to work on additional measures in this area; these will be placed before the legislative bodies of the Soviet Union for consideration.

I wish to conclude by saying that the positive processes in world politics, principally the improvement in East-West relations and practical steps in the field of disarmament, which have strengthened the role and authority of the United Nations in international affairs, give us reason to hope that the world community's joint efforts will result in a breakthrough, commensurate with those achievements, in solving global economic problems, bearing in mind the special situation and needs of the least developed countries.

Mr. SHOOGUFAN (Afghanistan): In the early 1970s, when the United Nations began discussing the social and economic problems facing the least developed countries, those countries numbered only 24. But now the number is 42, 15 of them land-locked. The problems of least developed countries have been discussed in various international forums and gatherings, such as the organs and specialized agencies of the United Nations, particularly the United Nations Conference on Trade and Development, and conferences of non-aligned countries and of the Group of 77.

(Mr. Shoogufan, Afghanistan)

An analysis of the economic situation of the least developed countries in the 1980s shows a decline in living standards in those countries. The revenues of the least developed countries have decreased, and the volume of their external debt and of the interest thereon has gone up. In addition, the interruption of capital flows to those countries in the 1980s was a setback; with the exception of a few countries, the amount of official development assistance urgently needed for the economic development of the least developed countries, as endorsed by the Substantial New Programme of Action for the 1980s for the Least Developed Countries, did not materialize.

The ultimate objective of reviewing the implementation of the Programme for the 1980s is to assesss the achievements of least developed countries with reference to the Programme's objectives as set out by the First United Nations Conference on the Least Developed Countries, to take an accounting of the contributions made by developed donor countries to the cause of the progress of the least developed countries and to see the extent to which developed donor countries have provided financial assistance.

The adoption of the Substantial New Programme of Action for the 1980s was a positive step towards focusing the attention of the international community on the needs and requirements of the least developed countries. The main objective of the Programme was to ensure an internationally accepted minimum standard of living and to overcome the serious problems facing those countries. But contrary to expectations, the objectives set out in the Programme were not achieved. Increased population, unemployment, a decline in the volume of official development assistance, unfavourable geographical factors and environmental problems, together with other factors, have prevented the Programme from being put into effect.*

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* The President returned to the Chair.

(Mr. Shoogufan, Afghanistan)

It is clear to all that the Programme's targets have not been hit squarely; negligence existed, to be sure. One of the objectives of the Programme was that developed donor countries should extend all-round financial assistance, on easy terms, to least developed countries to enable them to eliminate backwardness and achieve economic development. It was envisaged that such assistance would amount to 0.15 per cent of the gross national product of developed donor countries. Unfortunately, studies show that this did not materialize. The Programme envisaged an annual assistance package of $24 million for Africa; according to the World Bank, no more than $17 million has been given. Similarly, there has been either very limited or excessively slow and unsatisfactory progress in the agricultural sector, industrial production, mining, irrigation, exports, infant mortality rates, family planning, housing, education, the campaign against illiteracy, and other areas of public life in the least developed countries.

Although many factors contributed to the failure of the Substantial New Programme of Action, the hard conditions of the international economic situation, which are beyond the control of the least developed countries, constitute the main factor. During the 1980s, for instance, the number of least developed countries increased from 31 to 42, in which, regrettably, a community of more than 200 million people suffer from poverty, hunger, disease, homelessness, a high mortality rate and other ills.

So far as the situation in land-locked least developed countries is concerned, a number of least developed countries constantly bear enormous expenses and losses resulting from their geographical location. Those countries among the least developed countries are in an extremely difficult condition, and have always been faced with an extra barrier to social and economic development. That barrier is their unfavourable geographical location, which imposes upon them extra costs for their imports and exports. In that respect, the Programme failed to help

(Mr. Shoogufan, Afghanistan)

land-locked least developed countries exercise their transit rights of free access to and from the sea as embodied in many international legal documents adopted by the United Nations.

Bearing in mind the improvement in the international political climate and the urgent demand for the social and economic development of the least developed countries, the implementation of the Programme of Action for the Least Developed Countries for the 1990s, adopted by the Second United Nations Conference on the Least Developed Countries, held at Paris, requires a constructive and timely response from developed donor countries as well as from international financial institutions. For their part, the least developed countries, taking into account the measures embodied in the Programme for the 1990s, should adopt and implement concrete national measures, particularly those aimed at releasing resources for their social and economic development.

Mr. SEBURYAMO (Burundi) (interpretation from French): Allow me, Mr. President, even at this late stage of the Assembly's proceedings, to congratulate you on the wise and skilful manner in which you are conducting the Assembly's work at its forty-fifth session. At a time when it seems that the attention of the international community is focused entirely on the crisis in the Persian Gulf, which has dragged on for too long, we should be remiss if we did not also thank the Assembly for permitting the very serious economic situation of the least developed countries to be debated directly in plenary meetings. We believe that this is further evidence that the international community is sensitive to the plight of a large and particularly vulnerable part of mankind, a part recognized as the most disadvantaged - the abandoned, we are tempted to say.

The record in implementing the Substantial New Programme of Action for the 1980s for the Least Developed Countries - the subject of this debate - has been assessed in pessimistic and justifiably negative terms. In 1981 the developing countries in the least-developed-countries category believed that a big leap forward was possible. They cherished the hope that the 1980s would at last see a change in their economic situations, then plagued by unprecedented structural and short-term difficulties and that, with the assistance of the international community, they would begin to experience positive and sustained growth.

The main aim of the Programme adopted at that time was to promote long-term structural reform and to lay the foundations for lasting development in the least developed countries. Thus the Programme set out to enable those countries to meet the basic needs of their populations in the areas of food, health care, housing, education, and so on. Statements heard then were full of the promise of a new era, a new form of co-operation set up under the auspices of the United Nations, to benefit the neediest countries of the international community. Today, however, we

(Mr. Seburyamo, Burundi)

are forced to the conclusion that, despite the commitments made by those countries themselves and by their developed partners under the Substantial New Programme of Action, which was adopted by consensus, the record in implementing that Programme is negative and, indeed, disheartening.

The data provided by the United Nations Conference on Trade and Development (UNCTAD) in last year's report speak for themselves. For example, the New Programme set a target of 7.2 per cent for annual growth in gross domestic product, but the rate achieved was only 2.3 per cent. The sectoral objectives were never realized. Investment dropped by 2 per cent a year, on average, during the period 1980 to 1987; agricultural production rose by only 1.6 per cent, whereas the Programme envisaged a rate of 4 per cent; and manufacturing production rose by only 2 per cent per year, whereas the target was 9 per cent. These few indices illustrate the extent of the failure of the New Programme during the 1980s.

A systematic diagnosis of the causes of that failure was carried out at the Second United Nations Conference for the Least Developed Countries, which was held in Paris in September. The responsibilities of the parties involved in the implementation, and responsible for the success, of the Programme were clearly established and accepted. It was recognized that responsibility was shared - that it was both external and internal.

From the external point of view, we must take account of the - to be frank - adverse world economic environment. This economic state is marked by the fact that the prices of commodities produced by the developing countries are collapsing while the prices of the products that they import are soaring; by difficulties encountered by the least developed countries in respect of some of the manufactured articles they export, as a result of all kinds of protectionist barriers; by exchange-rate fluctuations; and by the high level of interest rates, whose immediate effect is to increase the debt burden.

(Mr. Seburyamo, Burundi)

In addition, despite the promises that had been made, the assistance from rich countries reached only 0.09 per cent of their gross domestic product - falling short of the target set in 1981. Indeed, the 1981 Conference wanted to secure an increase in the volume of capital inflows to the least developed countries. For that purpose, it adopted a resolution stipulating that the industrialized countries should grant to the least developed countries assistance at least equivalent to 0.15 per cent of their gross national product. A scant few donor countries have finally met that target, and we wish to thank them for doing so.

At the internal level, reference has been made to such factors as the lack of domestic policies in the least developed countries, which have not been able to bring their strategies into line with the targets set. It is true that essentially structural obstacles, such as land-locked location, restricted markets, very limited domestic savings, and national economies that are heavily dependent on external factors, together with a galloping population rate, and so on, have compounded these difficulties. Faced with this failure, many of the least developed countries have adopted structural-adjustment programmes as panaceas. The reforms undertaken have included the following: thorough review of the sector governing economic and financial operations with foreign countries; demand restructuring; mobilization of domestic savings and human resources; adoption of measures designed to strengthen the role of the private sector and to enhance the efficiency of the so-called public enterprises.

My country's Minister for External Relations and Co-operation, speaking on 5 October in the general debate, said that the results achieved through adjustment policies in the short term could be measured only in terms of sacrifice and deprivation. The secretariat of UNCTAD, for its part, has carried out an evaluation of the socio-economic situation of the countries undergoing adjustment. As representatives are aware, its conclusions are extremely pessimistic.

(Mr. Seburyamo, Burundi)

In any event, we continue to hope that the lessons that have been learned will help us to define better the strategies for the 1990s.

My country - Burundi - like other developing countries, both least-developed and land-locked, has not been immune from the external shocks and the multiplicity of constraints that have hampered fulfilment of the undertakings given in 1981 under the Substantial New Programme of Action for the 1980s for the Least Developed Countries. The major obstacles that our development is encountering are familiar to all our development partners: geographical isolation, excessively fast population growth, the vagaries of climate, dependence for currency earnings on certain agricultural products - chiefly coffee - and almost total dependence on the external world for the major part of our investment financing. During the 1980s these factors, combined with an adverse international economic situation, seriously impeded achievement of the objectives we had set for ourselves. The few encouraging results achieved at the beginning of the decade were rapidly wiped out by the deterioration in terms of trade - in particular, the drop in coffee prices - aggravated by the extremely harsh climatic conditions that hit our agricultural harvest in 1982 and 1984.

(Mr. Seburyamo, Burundi)

With regard specifically to coffee, the failure of the negotiations to renew the International Coffee Agreement is a severe setback. Coffee sales are my country's main source of foreign currency. The breakdown of the Agreement in 1989 caused prices to plummet and thus cut our export earnings by 41.4 per cent. The recent 40-per-cent rise in the price of oil as a result of the situation in the Gulf region is a further aggravating factor for us.

Furthermore, the ineffective monetary and financial policies pursued by previous régimes up to 1986 led to a swelling of my country's external debt, budgetary imbalances and balance-of-payments difficulties, compelling the Government to draw up, with the assistance of the World Bank and the International Monetary Fund, a structural adjustment programme, whose implementation began in 1986.

Thus for the period 1986 to 1991 the Government of the Republic of Burundi adopted an economic policy designed, among other things, to reduce macro-economic imbalances, liberalize trade and prices, improve the management of public enterprises and the system for collecting excise duties and taxes and, lastly, promote private initiative.

In the social sector, however, some headway has been made. Primary health care is available to virtually the whole population; 54 per cent of the inhabitants of Burundi have access to drinking water, compared with 10 per cent at the beginning of the decade; it will soon be possible to vaccinate all our children; and since 1987-1988 all children had been able to start school at the age of seven. A family planning programme has been started and is in progress. Nevertheless, much work remains to be done, particularly on the food situation.

Once again we are hearing of initiatives in favour of the least developed countries. The recent Paris Conference enables us to look to the future with

(Mr. Seburyamo, Burundi)

optimism again. One of the merits of the Declaration made by the Conference is that of recognizing that the worsening of the economic, social and ecological situation in most of the least developed countries in the 1980s is not irreversible. According to the Declaration, it can be reversed if these countries and all their partners, taking advantage of the new climate of confidence in international relations, combine their efforts in a spirit of genuine solidarity, particularly through new forms of co-operation, so as once again to give least developed countries the prospect of sustained and sustainable development within the context of growth in the world economy.

The delegation of the Republic of Burundi was able to assess the Programme of Action for the 1990s on the spot in Paris. It is a good working tool. Its fundamental principles reflect deeply held, realistic beliefs.

Without wishing to go into detail on the Programme, my delegation would like to stress the need for all partners to commit themselves to its implementation, for let us recall that the greatest reproach levelled against the contracting parties to the Substantial New Programme of Action for the 1980s for the Least Developed Countries was that they failed to honour their commitments. While there were some extenuating circumstances to excuse that failure over the past decade, it is now high time finally to implement officially the whole of the fine texts that our skilful negotiators have so far produced.

The populations of the least developed countries, most of whom are victims of famine, disease, poverty and destitution, need action rather than fine words. They currently number 420 million, or 1 person out of 10 in the world; and 14 per cent of the children in them die in infancy.

Burundi will do its utmost to ensure that the Programme recently adopted in Paris is put into effect.

(Mr. Seburyamo, Burundi)

I venture to hope that the world economic climate will favour us and that the political will, bolstered by the active solidarity of our partners of the more developed countries, will be maintained.

The PRESIDENT: We have heard the last speaker in the debate on this item.

Action on agenda item 79 (c) will be taken by the Second Committee, as decided by the Assembly at its 30th meeting.

AGENDA ITEM 15 (continued)

ELECTIONS TO FILL VACANCIES IN PRINCIPAL ORGANS

(b) ELECTION OF EIGHTEEN MEMBERS OF THE ECONOMIC AND SOCIAL COUNCIL; ELECTION OF A MEMBER TO FILL A CASUAL VACANCY

The PRESIDENT: The General Assembly will now proceed to the election of 18 members of the Economic and Social Council to replace those members whose term of office expires on 31 December 1990. After that election is completed the Assembly will proceed to a by-election to fill a casual vacancy from the Socialist States of Eastern Europe brought about by the accession of the former German Democratic Republic to the Federal Republic of Germany.

Members will recall that the former German Democratic Republic, whose term of office was to expire on 31 December 1992, acceded to the Federal Republic of Germany with effect from 3 October 1990. Consequently, immediately following the election of 18 members of the Economic and Social Council the Assembly will, pursuant to rule 140 of the rules of procedure of the General Assembly, hold a separate by-election to elect a member for the unexpired term of office of the former German Democratic Republic.

First, we shall proceed to the election of 18 members of the Economic and Social Council.

(The President)

The 18 outgoing members are: Colombia, Cuba, France, Germany, Ghana, Greece, Guinea, India, Ireland, Japan, Lesotho, Liberia, the Libyan Arab Jamahiriya, Portugal, Saudi Arabia, Trinidad and Tobago, Venezuela and Yugoslavia. These 18 States are eligible for immediate re-election.

I should like to remind members of the Assembly that, as of 1 January 1991, the following States will remain members of the Economic and Social Council: Algeria, the Bahamas, Bahrain, Brazil, Bulgaria, Burkina Faso, Cameroon, Canada, China, Czechoslovakia, Ecuador, Finland, Indonesia, the Islamic Republic of Iran, Iraq, Italy, Jamaica, Jordan, Kenya, Mexico, the Netherlands, New Zealand, Nicaragua, Niger, Pakistan, Romania, Sweden, Thailand, Tunisia, the Ukrainian Soviet Socialist Republic, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, the United States of America, Zaire and Zambia. The names of these 35 States should therefore not appear on the ballots.

(The President)

According to paragraph 4 of General Assembly resolution 2847 (XXVI) of 20 December 1971, and taking into account the number of States that will remain members of the Council after 1 January 1991, as well as the by-election the Assembly will hold later this afternoon to fill a casual vacancy from the Socialist States of Eastern Europe, the 18 members should be elected as follows: five from African States; three from Asian States; four from Latin American and Caribbean States; five from Western European and other States; and one from the Socialist States of Eastern Europe. The ballot papers reflect that pattern.

I should like to inform the Assembly that the candidates receiving the largest number of votes and a two-thirds majority of those present and voting - and whose number does not exceed the number of seats to be filled - will be declared elected. In the case of a tie vote for a remaining seat, there will be a restricted ballot limited to those candidates that have obtained an equal number of votes.

May I take it that the General Assembly agrees to that procedure?

It was so decided.

The PRESIDENT: In accordance with rule 92 of the rules of procedure, the election shall be held by secret ballot and there shall be no nominations.

I call on the representative of Turkey.

Mr. AKSIN (Turkey): The Chairman of the Asian Group wishes to inform the members of the General Assembly that the Group has endorsed the candidacy of the Syrian Arab Republic for election to one of the seats in the Economic and Social Council reserved for the Asian Group.

The PRESIDENT: Ballot papers marked A, B, C, D and E will now be distributed. I request representatives to use only those ballot papers and to

(The President)

write on them the names of the States for which they want to vote. A ballot paper containing more names than the number of seats assigned to the relevant region will be declared invalid. Names of States on a ballot paper that are outside the relevant region will not be counted at all.

At the invitation of the President, Mr. Panov (Bulgaria), Ms. Cepeda (Dominican Republic), Mr. Ranasinghe (Sri Lanka), Mr. Molin (Sweden) and Mr. Mfula (Zambia) acted as tellers.

A vote was taken by secret ballot.

The meeting was suspended at 5.20 p.m. and resumed at 6.30 p.m.

The PRESIDENT: The result of the voting for the election of 18 members of the Economic and Social Council is as follows:

GROUP A

Number of ballot papers:	154
Number of invalid ballots:	0
Number of valid ballots:	154
Abstentions:	1
Number of members voting:	153
Required majority:	102
Number of votes obtained:	
Togo	147
Botswana	145
Morocco	145
Guinea	144
Somalia	144
Ghana	3
Egypt	2
Libyan Arab Jamahiriya	2
Congo	1
Côte d'Ivoire	1
Guinea-Bissau	1
Lesotho	1
Liberia	1
Sudan	1

GROUP B

Number of ballot papers:	154
Number of invalid ballots:	0
Number of valid ballots:	154
Abstentions:	1
Number of members voting:	153
Required majority:	102
Number of votes obtained:	
Japan	125
Malaysia	109
Syrian Arab Republic	90
Cyprus	70
Myanmar	41
Yemen	2
Kuwait	1
Mongolia	1

GROUP C

Number of ballot papers:	154
Number of invalid ballots:	0
Number of valid ballots:	154
Abstentions:	0
Number of members voting:	154
Required majority:	103
Number of votes obtained:	
Argentina	116
Chile	106
Peru	104

Cuba	81
Trinidad and Tobago	77
Suriname	53
Guatemala	22
Colombia	5
Haiti	1
Paraguay	1
Venezuela	1

GROUP D

Number of ballot papers:	154
Number of invalid ballots:	0
Number of valid ballots:	154
Abstentions:	2
Number of members voting:	152
Required majority:	102
Number of votes obtained:	
Austria	144
France	142
Germany	140
Spain	139
Turkey	135
Portugal	4
Belgium	3
Greece	3
Australia	2
Ireland	2
Liechtenstein	1

GROUP E

Number of ballot papers:	154
Number of invalid ballots:	2
Number of valid ballots:	152
Abstentions:	4
Number of members voting:	148
Required majority:	99
Number of votes obtained:	
Yugoslavia	130
Romania	15
Poland	2
Albania	1

The following countries, having obtained the required two-thirds majority, were elected members of the Economic and Social Council for a period of three years beginning on 1 January 1991: Argentina, Austria, Botswana, Chile, France, Germany, Guinea, Japan, Malaysia, Morocco, Peru, Somalia, Spain, Togo, Turkey and Yugoslavia.

The PRESIDENT: Since two seats remain to be filled, one from among the Asian States and one from among the Latin American and Caribbean States, the Assembly will now proceed to the first restricted ballot. In accordance with rule 94 of the rules of procedure, the second round of balloting shall be restricted to those two States from among the Asian States which were not elected but which obtained the largest number of votes in the previous ballot, namely Cyprus and the Syrian Arab Republic, and to those two States from among the Latin American and Caribbean States which were not elected but which obtained the largest number of votes in the previous ballot, namely Cuba and Trinidad and Tobago.

(The President)

Ballot papers will now be distributed.

May I ask representatives to write on the ballot papers the names of the States for which they want to vote.

Ballot papers marked "B" for the Asian States will be declared invalid if they contain the name of a State other than Cyprus or the Syrian Arab Republic, or if they contain the name of more than one State.

Ballot papers marked "C" for the Latin American and Caribbean States will be declared invalid if they contain the name of a State other than Cuba or Trinidad and Tobago, or if they contain the name of more than one State.

At the invitation of the President, Mr. Panov (Bulgaria), Ms. Cepeda (Dominican Republic), Mr. Ranasinghe (Sri Lanka), Mr. Molin (Sweden) and Mr. Mfula (Zambia) acted as tellers.

A vote was taken by secret ballot.

The meeting was suspended at 6.50 p.m. and resumed at 7.45 p.m.

The PRESIDENT: The result of the voting for the election of 2 members of the Economic and Social Council is as follows:

GROUP B

Number of ballot papers:	152
Number of invalid ballots:	0
Number of valid ballots:	152
Abstentions:	1
Number of members voting:	151
Required majority:	101
Number of votes obtained:	
Syrian Arab Republic	80
Cyprus	71

GROUP C

Number of ballot papers:	152
Number of invalid ballots:	0
Number of valid ballots:	152
Abstentions:	1
Number of members voting:	151
Required majority:	101
Number of votes obtained:	
Cuba	77
Trinidad and Tobago	74

The PRESIDENT: Since no candidate has obtained the required two-thirds majority and two seats still remain to be filled, one from among the Asian States and one from among the Latin American and Caribbean States, we shall now proceed to the second restricted ballot.

(The President)

The representative of Cuba has asked to make a statement, and I now call upon him.

Mr. ALARCON DE QUESADA (Cuba)(interpretation from Spanish): It is late, and this is not really the time to explain in depth why my delegation finds it impossible to enter into competition with the sister country of Trinidad and Tobago. In fact, we would like to apologise for not having reacted as diligently as we might have done upon hearing the results of the first round of balloting.

However, we should now like to announce to the Assembly our delegation's decision to withdraw its candidacy for a seat on the Economic and Social Council. As we see it, Trinidad and Tobago will be a worthy representative not only of our country but of the entire Latin American and Caribbean region, and we would urge the Assembly to take our country's decision into account when voting so that we will all be in a position to elect Trinidad and Tobago unanimously to the Economic and Social Council tonight.

The PRESIDENT: In accordance with the rules of procedure we shall now proceed to a second restricted ballot, taking into account the statement just made by the representative of Cuba.

This third round of balloting therefore shall be restricted to the two States from among the Asian States which were not elected but obtained the largest number of votes in the previous ballot, namely, Cyprus and the Syrian Arab Republic, and to the two States from among the Latin American and Caribbean States which were not elected but obtained the largest number of votes in the ballot just taken, namely, Cuba and Trinidad and Tobago. This is in accordance with rule 94 of the rules of procedure.

The ballot papers will now be distributed.

(The President)

May I ask representatives to write on the ballot papers the names of the States for which they wish to vote. Ballot papers marked "B" for the Asian State will be declared invalid if they contain the name of a State other than Cyprus or the Syrian Arab Republic, as well as if they contain the name of more than one State. Ballot papers marked "C" for the Latin American and Caribbean State will be declared invalid if they contain the name of a State other than Cuba or Trinidad and Tobago, as well as if they contain the name of more than one State.

At the invitation of the President, Mr. Panov (Bulgaria), Ms. Cepeda (Dominican Republic), Mr. Ranasinghe (Sri Lanka), Mr. Molin (Sweden) and Mr. Mfula (Zambia) acted as tellers.

A vote was taken by secret ballot.

The meeting was suspended at 8 p.m. and resumed at 8.35 p.m.

The PRESIDENT: The result of the voting is as follows:

GROUP B

Number of ballot papers:	149
Number of invalid ballots:	0
Number of valid ballots:	149
Abstentions:	1
Number of members voting:	148
Required majority:	99
Number of votes obtained:	
Syrian Arab Republic	78
Cyprus	70

GROUP C

Number of ballot papers:	149
Number of invalid ballots:	1
Number of valid ballots:	148
Abstentions:	3
Number of members voting:	145
Required majority:	97
Number of votes obtained:	
Trinidad and Tobago	133
Cuba	12

Having obtained the required two-thirds majority, Trinidad and Tobago was elected a member of the Economic and Social Council for a period of three years beginning on 1 January 1991.

The PRESIDENT: Since one seat remains to be filled, from among the Asian States, the Assembly will now proceed to the third restricted ballot. In accordance with rule 94 of the rules of procedure, the fourth round of balloting shall be restricted to those two States from among the Asian States which were not elected but which obtained the largest number of votes in the previous ballot, namely Cyprus and the Syrian Arab Republic.

The ballot papers will now be distributed.

Ballot papers containing the name of a State other than Cyprus or the Syrian Arab Republic and those containing more than one name will be declared invalid.

If this restricted ballot is inconclusive, we should under the rules of procedure continue with a series of unrestricted ballots. However, I propose that if this ballot is inconclusive we postpone further balloting to a later meeting, to be announced in due course, and suspend the election for the time being. If there is no objection I shall take it the Assembly agrees to that proposal.

It was so decided.

At the invitation of the President, Mr. Panov (Bulgaria), Ms. Cepeda (Dominican Republic), Mr. Ranasinghe (Sri Lanka), Mr. Molin (Sweden) and Mr. Mfula (Zambia) acted as tellers.

A vote was taken by secret ballot.

The meeting was suspended at 8.45 p.m. and resumed at 9.05 p.m.

The PRESIDENT: The result of the voting is as follows:

GROUP B

Number of ballot papers:	140
Number of invalid ballots:	0
Number of valid ballots:	140
Abstentions:	1
Number of members voting:	139
Required majority:	93
Number of votes obtained:	
Syrian Arab Republic	76
Cyprus	63

The PRESIDENT: Since no candidate has obtained the required two-thirds majority, one seat still remains to be filled from among the Asian States. In accordance with the decision taken earlier, we shall suspend this election and proceed to the by-election for one member from the Socialist States of Eastern Europe.

The Assembly will now proceed, pursuant to rule 140 of the rules of procedure of the General Assembly, to the election of one member of the Economic and Social Council to fill a vacancy from the Socialist States of Eastern Europe brought about by the accession of the former German Democratic Republic to the Federal Republic of Germany. The term of office of the former German Democratic Republic was to expire on 31 December 1992. The newly elected member will serve the remainder of that term.

(The President)

I should like to remind members of the Assembly that as of 1 January 1991 Bulgaria, Czechoslovakia, the Ukrainian Soviet Socialist Republic and the Union of Soviet Socialist Republics will remain as members of the Economic and Social Council. The names of those four States should therefore not appear on the ballots; nor should the name of the State elected earlier this evening, namely Yugoslavia.

The candidate from the Socialist States of Eastern Europe receiving the greatest number of votes, and a two-thirds majority of those present and voting, will be declared elected. In the case of a tie vote there will be a restricted ballot limited to those candiates which have obtained an equal number of votes.

May I take it that the General Assembly agrees to that procedure?

It was so decided.

The PRESIDENT: In accordance with rule 92 of the rules of procedure, the election shall be held by secret ballot and there shall be no nominations.

I call on the representative of the Ukrainian Soviet Socialist Republic.

Mr. BATIOUK (Ukrainian Soviet Socialist Republic): On behalf of the regional geographical group of the Eastern European States, I have the honour to inform the General Assembly that this group has unanimously endorsed the candidature of Romania for election to the Economic and Social Council to fill the vacancy which occurred as a result of the accession of the German Democratic Republic to the Federal Republic of Germany on 3 October 1990.

I should like to express the personal belief that this information might be helpful in ensuring a speedy conclusion of the matter before the Assembly late on a Friday evening.

The PRESIDENT: Ballot papers will now be distributed. I request representatives to write on the ballot papers the name of the State for which they want to vote. Ballot papers bearing more than one name will be declared invalid. Names of States not from the Socialist States of Eastern Europe appearing on ballot papers shall not be counted at all.

At the invitation of the President, Mr. Panov (Bulgaria), Ms. Cepeda (Dominican Republic), Mr. Ranasinghe (Sri Lanka), Mr. Molin (Sweden) and Mr. Mfula (Zambia) acted as tellers.

A vote was taken by secret ballot.

The meeting was suspended at 9.15 p.m. and resumed at 9.25 p.m.

The PRESIDENT: The result of the voting for a casual vacancy on the Economic and Social Council to be filled from among the Socialist States of Eastern Europe is as follows:

Number of ballot papers:	132
Number of invalid ballots:	4
Number of valid ballots:	128
Abstentions:	3
Number of members voting:	125
Required majority:	84
Number of votes obtained:	
Romania	122
Albania	3

Having obtained the required two-thirds majority, Romania was elected a member of the Economic and Social Council for a term beginning immediately and ending on 31 December 1992.

The PRESIDENT: I congratulate the States that have been elected members of the Economic and Social Council. I thank the tellers for their assistance in the election.

PROGRAMME OF WORK

The PRESIDENT: As already announced, on Monday, 19 November, in the morning, the Assembly will consider item 18, Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. On Tuesday, 20 November, in the morning, it will also consider item 28, The situation in Central America: threats to international peace and security and peace initiatives. That afternoon, the Assembly will take up Fourth Committee reports.

(The President)

On Wednesday, 21 November, in the morning, the Assembly will consider item 152, Critical economic situation in Africa. On Tuesday, 27 November, in the morning, it will consider item 31, Zone of peace and co-operation in the South Atlantic; and two sub-items of item 16 - (a), Election of twelve members of the World Food Council, and (b), Election of twenty members of the Committee for Programme and Co-ordination. It will also consider item 7, Notification by the Secretary-General under Article 12, paragraph 2, of the Charter of the United Nations. On Friday, 7 December, in the morning, in addition to considering item 35, The situation in the Middle East, the Assembly will also take up item 11, Report of the Security Council. On Tuesday, 11 December, the Assembly will consider item 33, Law of the sea. The rest of the tentative programme of work remains unchanged.

The meeting rose at 9.30 p.m.